

REMARKS

Applicant thanks the Examiner for his interview prior to the issuance of this action and further thanks the Examiner for allowing claim 21, if the objections are overcome. Claims 1-21 are pending in the application and stand rejected. Claims 1, 19, 21 are currently amended.

Rejection of Claims 1 and 12 Under 35 U.S.C. 112 second paragraph

Claims 1, 12, and 21 are currently amended and the amendments fully address the Examiner's rejections.

Rejection of Claims 1-4, 12-13 and 21 Under 35 U.S.C. 103(a) As Being Unpatentable Over Franklin and Lapsley and Further In View of Benton

Claim 1

Claim 1 recites, in pertinent part, creating multiple sets of unique account data on an administrator system and transmitting electronically the unique account data to a buyer system and a seller system prior to each transaction. Creating a matrix unique to a single transaction based on a first set of sample data from the buyer and a second set of sample data from the seller; Selecting two digits from a combination of the buyers account number and the sellers account number based on a random number generated from the transaction time such that the first digit is stored as the x value and the second digit as the y value; Scrambling the matrix based on the stored x and y values; and Selecting at least one row of data from the buyer and the seller; and Sending both the buyers and the sellers row to an administrator when the buyers row matches the sellers row.

For example, referring, *e.g.*, to FIGS. 1 and 2A, page 2, line 35 to page 3, line 1, and page 4, lines 1-2, an administrator system 26 creates multiple sets of unique account data (UAD) that are sent to buyer and seller systems 22 and 24 before a transaction occurs between a buyer and seller. One set of UAD is sent to the buyer system 22 and another set of UAD is sent to the seller system 24. Application programs located on the buyer and seller system 22 and 24 take a sample of the respective UADs.

In the current application the unique data is transmitted electronically and therefore is different from the use of a card. A card has similar number every transaction, wherein the current invention does not require a card as it does in Benton.

Further Benton fails to show Creating a matrix unique to a single transaction based on a first set of sample data from the buyer and a second set of sample data from the seller; Selecting two digits from a combination of the buyers account number and the sellers account number based on a random number generated from the transaction time such that the first digit is stored as the x value and the second digit as the y value; Scrambling the matrix based on the stored x and y values; and Selecting at least one row of data from the buyer and the seller; and Sending both the buyers and the sellers row to an administrator when the buyers row matches the sellers row. (recited in part from Claim 1).

The applicant suggests that Claim 1 is now patentable over the cited references.

Claim 12

Claims 12 is patentable for reasons similar to those discussed above with reference to Claim 1.

Claims 2-4 and 13

Claims 2-9 and 13-18 are patentable by virtue of their respective dependencies from Claims 1 and 12.

Rejection of Claims 10-11 and 19-20 Under 35 U.S.C. 103(a) As Being Unpatentable Over

Benton in view of Franklin and Bush and in further view of Appleton

Referring to Bush, Bush requires a physical card, a pin code and a terminal. Bush in fact uses a five number code based on a static matrix that does not change. Appleton requires a physical card, with holes punched in it, and a physical card reader. The card reader reads the card and in combination with an entered pin unlocks the use of the card. Benton requires a fax machine with *two* entered cards containing a “chip.” Franklin uses an online commerce card to identify a consumer.

A static physical card that requires a pin to decipher a matrix punched into a card teaches away from an online card with no physical characteristics. A card with holes inserted in a card reader teaches away from a physical card with a chip, and in fact a reader that reads holes cannot read a physical card with a chip. Finally all references require data entry from the user wherein the disclosed system does not require data from the user.

Conclusion

In view of the preceding, all pending claims stand in condition for allowance, and a Notice of Allowance for same is respectfully requested. **If the Examiner disagrees with the Applicant's positions as stated in this paper, the Examiner is respectfully requested to contact the undersigned to arrange a telephone conference prior to issuing an Office Action rejecting any of the pending claims.**

Respectfully submitted,

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